DOCUMENT RESUME

ED 209 566 CG 015 519

AUTHOR	Barberis, Mary
TITLE	America's Elderly: Policy Implications. Special Policy Edition.
INSTITUTION	Population Reference Bureau, Inc., Washington, D.C.
PUB DATE	Jan 81
NOTE	17p.; For related document, see CG 015 153.
AVAILABLE FROM	Circulation Department, Population Reference Bureau, Inc., 1337 Connecticut Avenue N.W., Washington, DC 20036 ($2.00, single copy; $1.75 each, 2-49 copies; $1.50 each, 50 copies or more).
JOURNAL CIT	Population Bulletin; v35 n4 (Policy Suppl) Jan 1981
EDRS PRICE	MF01/PC01 Plus Postage.
DESCRIPTORS	Adult Day Care; Aging (Individuals); Family Role; *Government Role; Housing Needs; Individual Needs; Need Gratification; *Older Adults; *Population Trends; *Poverty; *Retirement; *Social Services; State of the Art Reviews; Visiting Homemakers

ABSTRACT

The elderly make up 11% of the total population of the United States, and senior citizens, particularly those aged 75 and over, are the fastest growing group in the country. Although one-fourth of the federal budget is allotted to their support, many older persons have difficulty in gaining access to the programs designed for their benefit. The elderly comprise a disproportionate share of all poor households as financial problems of the retirement system continue to grow. Currently plans to coordinate government programs and improve the method of financing the retirement system are receiving increased attention. Financing Social Security from general revenue funds or with actuarial reserves are two possible alternatives to the present pay-as-you-go system. Health care is also of concern to policymakers, as long-term needs of the chronically ill elderly must be considered. New program initiatives should emphasize homemaker services, geriatric day care, and compensations for families that support elderly relatives. The strengthening of informal relationships among the elderly, their families, friends, community groups, private organizations, and government at state, local, and federal levels is also necessary. (Author/NRB)

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America's Elderly: Policy Implications

By Mary Barberis

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Abstract—Senior citizens, particularly those aged 75 or over, are the fastest growing group in the U.S. today. Twenty-five million strong, the elderly make up 11 percent of the total population, the proportion ranging from 18.1 percent in Florida to 2.6 percent in Alaska. A quarter of the federal budget, $155 billion in 1980, now goes to their support yet many face difficulty in gaining access to the programs designed to benefit them. The elderly, especially those who rely solely on Social Security, comprise a disproportionate share of all poor households. The retirement system itself is facing financial challenges that promise to grow as the baby boom generation swells the number of senior citizens to 55 million in 2030. Plans to coordinate government programs and improve the method of financing the retirement system are receiving increasing attention. Financing Social Security from general revenue funds, or with actuarial reserves, are two alternatives to the present pay-as-you-go system. Another area of concern to policymakers is America's health care system, which is now crisis-oriented and heavily biased toward institutionalization. Health care must be made more responsive to the long-term needs of the oldest segment of the population, many of whom suffer from chronic illnesses. Impaired elderly receive most of their care from family or friends and private organizations, but this natural support network largely has been ignored by government. New program initiatives might emphasize homemaker services, geriatric day care, compensation for families that provide for the needs of an elderly relative, and the strengthening of the informal partnership between the elderly themselves, their families and friends, community groups, private organizations, and government at the state and local as well as the federal level.

"America's Elderly: Policy Implications" has been produced by the Population Reference Bureau as a special supplement to the November 1980 *Population Bulletin* by gerontologist Dr. Beth J. Soldo, "America's Elderly in the 1980s." The supplement provides policymakers with a brief analysis of U.S. trends toward an aging population and suggests some of the implications for public and private programs.

The *Population Bulletin* is published in six issues per volume and is distributed along with the other publications listed on the back cover to all members of the Population Reference Bureau. If you would like to order copies of the *Bulletin* "America's Elderly in the 1980s", or join the Bureau if you are not already a member, write the Circulation Department, Population Reference Bureau, Inc., 1337 Connecticut Avenue N.W., Washington, D.C. 20036. Individual Bureau memberships are $25 per year; $15 for college teachers; $10 for school teachers; $5 for all students. Rates for school, university, and public libraries are $30; institutions or firms, $100. Single copies of the *Population Bulletin* are $2.00; 2-49 copies, $1.75 each; 50 copies or more, $1.50 each.

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By Mary Barberis

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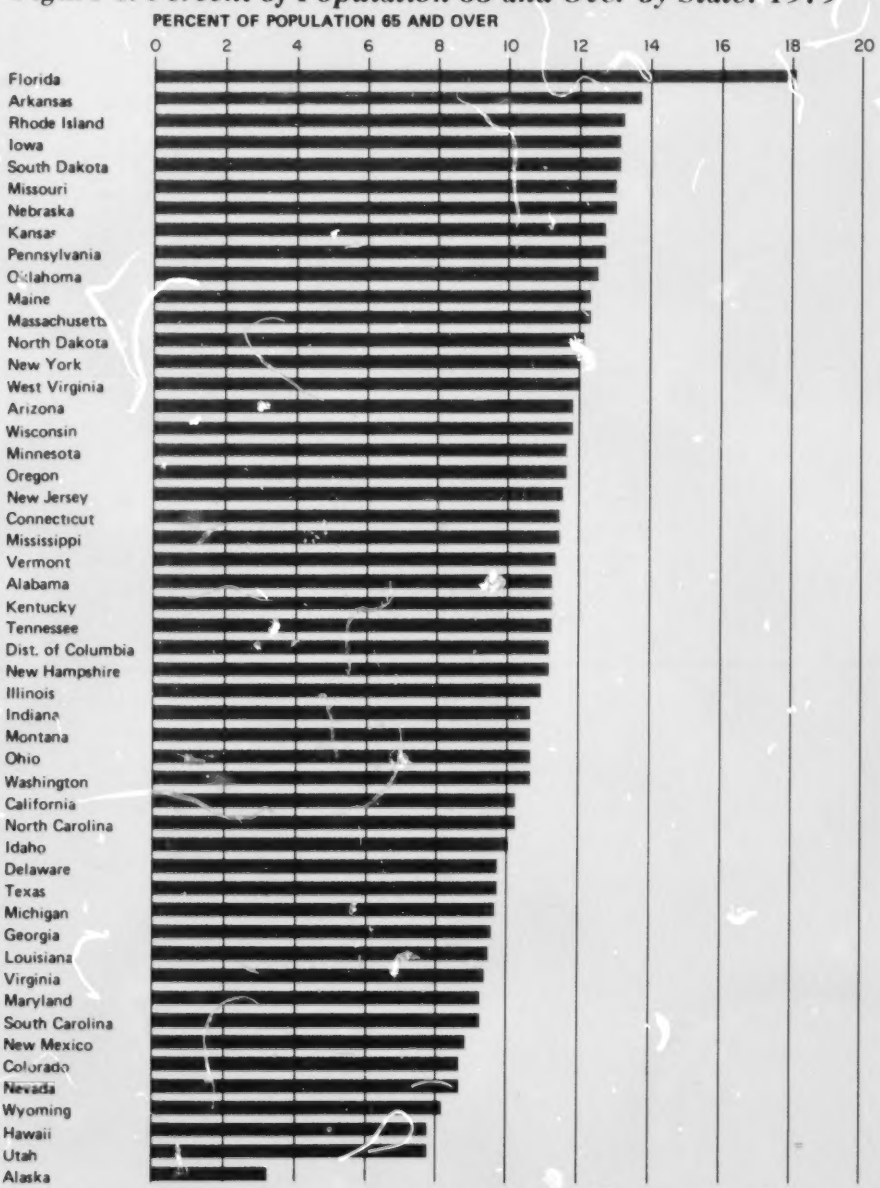
POPULATION BULLETIN
Policy Supplement
January 1981

Figure 1. Percent of Population 65 and Over by State: 1979



Source: U.S. Bureau of the Census, *Current Population Reports*, Series P-25, No. 875, "Estimates of the Population of States, by Age, July 1, 1971 to 1979."

America's Elderly: Policy Implications

By **Mary Barberis**
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• Every day in the U.S. some 5,000 people celebrate their 65th birthday and about 3,400 persons that age or older die.

• Twenty-five million strong, seniors make up 11 percent of the total population.

• More Americans are living to be old and older Americans are living longer. Increases in life expectancy mean that three-fourths of the population now reach age 65; once there, they live on the average for another 16 years, to age 81.

• Those 75 and over are the fastest growing segment of the population, and are typically poorer, less healthy, less educated, and more likely to be dependent on family, friends, community support, and the government than younger persons. By the end of the century, 45 percent of the elderly will be 75 or older, and well over half of this group will be 80-plus.

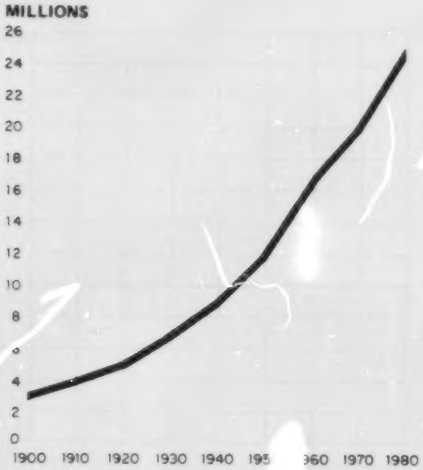
• The numbers of elderly will increase even more dramatically in the future. The "baby boom" generation of this century will be the senior boom of the next. By 2030, nearly 1 in 5 Americans—55 million citizens—will be 65 or older.

• While one-fourth of the federal budget, $155 billion in fiscal year 1980, goes to support the elderly, close to 25 percent of the senior population still find themselves at or below the poverty level and the country's service delivery system has been criticized as a demeaning process "calculated to make us wrinkled babies rather than mature, responsible adults," in the words of Maggie Kuhn of the Gray Panthers senior citizens lobby.

Senior citizens are the fastest growing group in American society. Not only are grandparents displacing teenagers in television commercials, and school buildings giving way to senior citizen centers, older Americans are becoming a vocal political force that is capturing the attention of policymakers and making the term "gray power" a household expression.

The well-being of the elderly has long been an interest of government. In 1935 Congress responded to the hardships inflicted by the Depression on America's senior citizens with the establishment of the Social Security system. Since expanded, the system has provided old age benefits as an earned right to all private sector workers and many public employees. The 1950s witnessed a National Conference on Aging—the first organized effort to develop federal policy; the creation of the Committee on Aging and Geriatrics in HEW; and the formation of the Senate Special Committee on Aging. State commissions introduced many model senior service projects. In 1961 the first White House Conference on Aging pinpointed health insurance as a key issue and led President Kennedy to send a special message to Congress

Figure 2. U.S. Population 65 and Over: 1900-1983



Sources: U.S. Bureau of the Census, *Historical Statistics of the United States: Colonial Times to 1970*; and *Current Population Reports*, Series P-25, No. 704, "Projections of the Population of the United States: 1977-2050."

proposing wide-ranging community service, employment, and consumer legislation, which became the groundwork for the original Older Americans Act of 1965.

Supplemental Security Income, Medicare, the Foster Grandparents Program, the Age Discrimination in Employment Act, and Meals on Wheels are but a few of the government initiatives that every day are improving the lives of many of America's senior citizens. Yet despite the best intentions, U.S. policy is often fragmented, and the divergence of America's many programs for seniors often makes it hard for limited resources to be put to the most efficient use.

Demographic trends are rapidly focusing the nation's attention on what it means to be an elderly person in America and forcing government to come to grips with the three major goals of:

- fostering independence for all adults, for as long as possible;
- providing a full floor of services for older persons who have become dependent; and
- helping available natural support systems, such as the family, that often provide the bulk of these services without outside assistance.

Because there is such a high correlation between advanced age and increased functional disabilities, the U.S. can expect an intensified demand for health and social services, especially for costly long-term care, and a greater strain on government and fiscal resources. At the same time, the ratio of active workers available to pay taxes to support needed programs will shrink in coming years. Whether or not this will be offset by a continuing decline in the ratio of children, who vie with the elderly for support from the working population, will depend on future levels of fertility.

Who are the Elderly?

- In the United States there are almost 14 million women over 65, compared to 9.5 million men.

- More than one-third of all older women (4.6 million) live alone. For those over 75, the proportion is 43 percent. At this age women are more than twice as likely as men to be living alone or sharing their home with someone who is not a relative.

- For every 100 men aged 65 or over, there are 147 women, with the proportion increasing in the later years. By 2020 our senior population will be even more heavily weighted toward women, especially widowed women.

"The problems of old age in America are largely the problems of women," says Dr. Robert Butler, Director of the National Institute on Aging. Older women are far more likely to be widowed, live alone, and have less income (and fewer assets) than older men. A recent national survey found that happiness and optimism for the elderly, as for younger people, are linked to good health, economic security, and a satisfying relationship with an equally healthy spouse. Elderly women often are forced by their circumstances to take on a "survivor attitude," merely coping with the difficulties of old age but not really enjoying their lives.

If services are to be tailored to the realities of tomorrow's elderly population, they will reflect that: women outlive men; they have been excluded from well-paid jobs; and they have little Social Security or pension relief. These demographic and economic factors force senior women (especially minority women) on to the lowest rung of America's socioeconomic ladder.

Where do Older Americans Live?

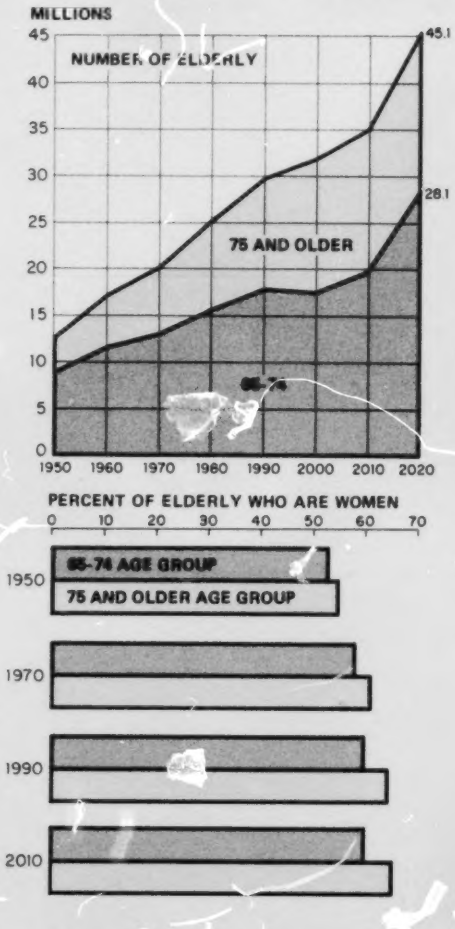
- The proportion of senior citizens ranges from a high of 18.1 percent in Florida to 2.6 percent in Alaska.

- In some states, like Nevada, Arizona, Florida, Hawaii, and New Mexico, the proportion of elderly is increasing rapidly from the influx of senior citizens attracted by climate and recreational opportunities.

- Sixty-three percent of Americans 65+ live in metropolitan areas. Many are isolated, immobile, and face difficulty in gaining access to jobs, health care, social services, shopping, and recreation.

- Older rural people, concentrated in

Figure 3. Number of Elderly and Percent of Women Elderly



Source: Adapted from "The Economics of Aging", *National Journal Issues Book*, October 28, 1978, p. 10.

the North Central and Southern regions, are particularly likely to live in substandard housing and lack health services.

The younger, more affluent retirees who move to the Sunbelt benefit their new communities by broadening the tax base through home ownership while exerting little pressure on the local job market. Snowbelt states, however, are often left with the bulk of relatively older and poorer seniors, increasing the per capita demand for income maintenance and social or health assistance programs.

The elderly who keep their homes after their children move away, often find themselves in "gray ghettos." Seniors, more than younger people, prefer to remain as long as possible in their own homes in neighborhoods where they have developed ties. Efforts to help older persons upgrade and maintain their current homes are now believed to be cheaper and cover more people needing help than relocation programs. If this new approach is successful during the 1980s, it should also help revitalize the deteriorating neighborhoods in the inner cities and small rural towns where so many of the elderly now live.

What are Their Resources?

The problem of poverty

- Close to one-quarter of the elderly live near or below poverty level.

- The elderly comprise a disproportionate share of all poor households.

- Women and minorities are heavily overrepresented among the elderly poor.

People over 65 usually suffer a cut of one-third to a half in income that thrusts many into poverty for the first time in their lives. But reduced income is not offset by decreased expenditures. While the elderly have fewer clothing and transportation costs than younger people, they spend more of their income on food, housing, and health care. On the plus side, a majority are homeowners, often free from mortgages, and are integrated into a strong nearby family support system.

While not everyone is at a financial disadvantage in old age, in 1978 the median income of the 8.5 million families headed by an older person ($10,141) was only 53 percent of the median income of households with a head under 65 ($19,310). For individuals living alone or with nonrelatives, median income differed from $4,303 for the elderly to $8,530 for those under 65.

Despite socioeconomic improvements among minorities in general, the status of minority seniors has remained unchanged. Almost half of senior blacks (60 percent of senior black women) are in the poorer segments of the population. Thirty-two percent of the older Hispanic population are poor.

Retirement income

- Social Security is by far the most important single source of the elderly's income; in 1978, roughly 50 percent of all income received by seniors came from Social Security, 10 percent from private pensions and 10 percent from interest on retirement savings.

- Thirty percent of the elderly who depend almost exclusively on Social Security benefits have incomes below the poverty line.

- Only a small part of the $155 billion a year now spent by the federal govern-

ment on those over 65 is for social services. Most goes to retirement benefits and medical health care.

- Private pensions, despite dramatic increases over the last 30 years, cover only one-fifth of the elderly, and usually only provide very low benefits.

- Even the Supplemental Security Income (SSI) program, instituted in 1974 to guarantee a minimum income for older Americans, offers a maximum of only $208 a month for an individual and $312 for a couple with no other income.

- About a tenth of today's elderly are "functionally illiterate" and two-thirds do not have a high school diploma. Lack of education is often a handicap to learning about benefits and surmounting the paperwork and bureaucratic hurdles built into many assistance programs.

Employment

- Most of the 2 million older men and 1.1 million older women still in the labor force in 1978 were working in low-paying, white-collar and service jobs.

- Unemployment is consistently higher for senior women than for men: 30 percent of women 65+ say they want work.

While early retirement has caught on rapidly with U.S. men, the trend has been just the opposite for women. The number of women 55 to 64 in the labor force has doubled since 1947 to over 42 percent. Among those over 65, there has been a dramatic drop from 48 percent to just 20 percent employed for men, but no change in the 8 percent rate of employment for women.

Housing

- "At least 30 percent of the elderly live in substandard, deteriorating or dilapidated housing" declared the U.S. Senate Committee on Aging, yet only 3 percent benefit from government housing programs.

- In total, about 2.8 million elderly households—1.1 million owners and 1.7 million renters—pay excessive portions (over 35 percent) of their income for housing. Especially hard hit is the elderly woman renter.

Older Americans—perhaps more than any other Americans—are sensitive to inflation, primarily because they live to a large degree on fixed incomes. Compounding the problem, some of the sharpest price increases have involved food, home fuels, and medical care, all contributors to the well-being of elderly persons who are among the least able to withstand summer heat, winter cold, and poor nutrition. Fuel cost increases have had an especially severe impact because many elderly live in substandard housing which is poorly insulated and costly to heat, cool, and weatherize.

Health

- Older people naturally require more medical help than the general public, especially after age 75.

- In addition to the 5 percent of all elderly in hospitals and nursing homes, only about 5 percent of the remaining elderly are housebound.

- Low-income and minority elderly are the most likely to be in poor health.

• Even with Medicare health insurance, older persons still spend over $1,500 yearly per capita on health care.

More and more, death is being delayed to old age as infectious diseases give way to chronic illnesses such as heart disease, cancer, and stroke, which account for three-fourths of all deaths of the elderly. Only 14 percent of the senior population not in institutions can claim to be free of chronic diseases, the most common of which are arthritis, heart problems, hypertension and diabetes. But most elderly say they are in good health and claim these chronic conditions do not limit their activities.

What is the Government Doing?

There appears to be no shortage of federal programs for the elderly, nor, on the surface, a lack of funds.

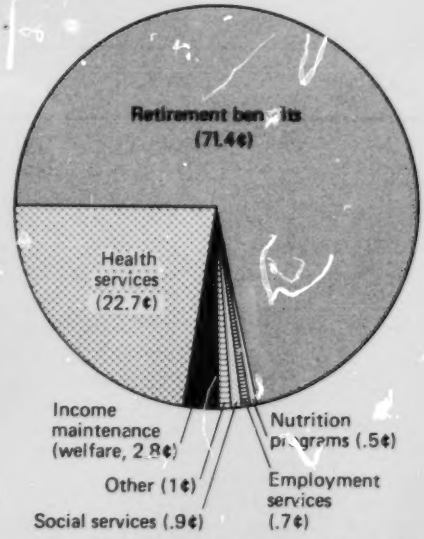
Forty-eight major federal programs are directed specifically at senior citizens. If all programs that affect the elderly are included in the inventory, at least 135 and perhaps as many as 200 programs exist at the federal level, mostly in the areas of retirement benefits and health care. They come under the jurisdiction of 49 congressional committees and subcommittees, and are administered by seven executive departments and five independent agencies.

One hundred fifty-five billion dollars, a quarter of the federal budget in FY 1980, went toward Social Security, pensions, health care, and services for older people. Social Security retirement benefits for the elderly and their dependents are the biggest expenditure, followed by a rapidly escalating outlay for health care. Medicare payments alone increased from $18.3 billion in 1977 to about $26.4 billion two years later, and are projected to reach $44.5 billion by 1983, according to the Office of Management and Budget.

While most of the elderly are covered by retirement and health benefits, only a fraction of those eligible receive other services. Many are unaware of what is available, or are excluded because of difficulties in the system. Only 3 percent of eligible seniors benefit from community service programs. Ten percent of the senior population receive Supplemental Security Income while approximately 18 percent are eligible.

Congress has declared that the government's service delivery system is characterized by "fragmentation, duplication, and total lack of coordination." For example, in the area of transportation, there are 31 separately funded programs for the elderly which are admin-

Figure 4. Each Federal Dollar Spent on the Elderly: 1980



Source: U.S. House of Representatives, Select Committee on Aging, Subcommittee on Human Services, *Future Directions for Aging Policy: A Human Service Model*, Committee Publication No. 96-218 (Washington, D.C.: U.S. Government Printing Office, 1980), Figure 9.

istered by eight executive departments and independent agencies. Health services are provided by an even greater number of programs. Even in communities where all services are available, there is no one source of access to this vast, often confusing, array nor any single means of evaluating the effectiveness of the different programs. Potential recipients, who must determine their own needs and how to orchestrate a comprehensive service package, are faced with a maze of independent applications for different types of assistance, to be obtained from often widely scattered social service offices under a variety of jurisdictions.

Policy Implications: Income Support

Challenges to Social Security

The Social Security retirement fund faces an immediate prospect of large and growing annual deficits. Social Security was designed as a pay-as-you-go system, with the contributions of current workers financing the benefits of the retired. Since its enactment in 1935, payroll deductions have jumped from 1 percent of the first $3,000 of earned income to the current 6.65 percent of earnings up to $29,700 annually. Yet despite these increases, Social Security is in financial trouble because the elderly are spending more years in retirement and collecting longer, and because adjustments for inflation have increased the amount of their benefits.

In the long run, the Social Security system faces an even more dramatic challenge as those born during the post-war baby boom begin turning 65. But the explosion of people who will be claiming benefits is only one side of the problem. Because fertility has dropped off in recent years, the ratio of elderly persons to those in the workforce will increase in moderate degrees during the next 30 years, and then increase at a greatly accelerated rate over the following 30 years. The population aged 20-64 will grow gradually until about 2015, then begin to decline in absolute numbers. In 1980, three workers paid for the benefits of one retiree. If there are no changes in the present pay-as-you-go system, only two workers will be available to support one retired person after 2010. How this increase in the cost of maintaining the elderly will be offset by reductions in expenditures for schools, transportation, health care and other services for a smaller proportion of children in the population will depend on future fertility rates.

- *The Social Security Advisory Council's short-run recommendations to Congress include* **financing from general revenue funds, borrowing between funds, and removing disincentives to working elderly.**
- *While the system cannot go "bankrupt" in the usual sense, as it stands now, its projected fiscal imbalance could imply a need for painful increases in the payroll tax, an intensification of various inequities in the system, or a reduction in real benefits. To forestall these developments, it appears likely that major* **incentives will be developed to encourage people to stay in the labor force beyond 62 or 65.** *One of the plans being considered is a reduction formula for the tax rates of workers over age 65 and exemption from taxation of retirement income. A plan for the compulsory deferment of retirement benefits is also being considered.*
- *In order to* **broaden the work opportunities of the elderly,** *employers could be encouraged to* **make work arrangements more flexible** *to allow older employees to ease gradually into retirement.* **Retraining and continuing education** *are important for the senior*

worker as well as for the older American unable to find a job who is hampered by lack of education and outdated job skills when competing with a younger applicant. "Ageism," illegal since 1968, but difficult to prove, is another problem that the government could help combat by the **rigid enforcement of age discrimination laws.**

- *Although Social Security benefits are already retrogressive (low wage earners receive back relatively more benefits than high wage earners), even* **more income support might be concentrated on the poorer recipient.** *There may also be* **renewed encouragement of personal savings** *and a revival of the original concept of Social Security as a supplement to retirement income instead of the sole source of income as it now is for many.*

Financing the retirement system

Under the current pay-as-you-go system, all contributions to the plan are immediately paid out to meet the claims of current beneficiaries. If cost imbalances occur, the plan must adjust either, or both, the contribution rate or the benefit rate to bring total contributions back into line with total benefits on a current basis. The merits of pay-as-you-go partly depend on how fast the total population grows. If the rate of population growth declines, as it has done since the early 1960s, the real rate of return ultimately received by workers will fall below that received by current retirees, bringing into question the fairness and equity of the system.

- **Some experts have suggested that the method of financing the Social Security system be completely reorganized.** *The two basic alternatives are reserve (or "actuarial") funding, and general revenue financing.* **With actuarial reserves, each person's contributions are set to their own benefits** *so that individuals pay for their own retirement with a reserve account built up prior to age 65 and drawn only after retirement. Because each age group comes close to balancing its own deductions and benefits over the course of its lifetime, fluctuations in fertility make no difference in the resources available to finance benefits under this plan.* **Under general revenue financing, the claims of current beneficiaries are met by a tax on the community at large.** *Financing some part of Social Security with nonpayroll tax revenues such as corporation or personal income taxes would reduce the Social Security tax burden, which is heaviest on low-paid workers, and pick up these funds from the progressive income tax.*

Inequality in benefits

Financing benefits is not the only problem confronting the Social Security retirement program. Pressures are mounting to eliminate provisions that discriminate against older women: in particular the "dual entitlement" rule that usually applies to the wife, since women's lifetime earnings tend to be lower than those of men. This rule says a working wife who opts for dependent's benefits (based on half her husband's benefits) receives no return whatsoever on her own contributions to Social Security deducted when she was in the workforce.

Many married women who have worked and paid Social Security payroll taxes find that they receive no more in benefits than if they had never contributed to the system. **Two-earner couples receive lower total benefits than single-earner couples with identical average lifetime earning credits. Survivors of two-wage earner couples receive a lower benefit amount than survivors of one-earner couples with the same total average earnings.**

- *Proposals to eliminate these inequities include an* **"earnings sharing"** *plan that would compute individual benefits for both husband and wife on the basis of half the couple's combined earnings,*

and a **two-tier benefit system** *that would pay a flat rate to everyone regardless of earnings and also a second benefit based on a person's average earnings. Also under consideration are changes to the requirement that a spouse divorced before 10 years of marriage loses any claim to either a dependent's or survivor's retirement benefit.*

Private pensions

There is no coordinated retirement policy in the U.S. today. Existing pension systems often operate as if they were in isolation to each other. Private pension plans may be closely connected with Social Security; others are loosely related; and some have no relationship whatsoever. It is not surprising that people planning for their retirement are often confused.

- **The public would receive better coverage if cooperation between public and private retirement plans improved to prevent gaps or duplication, and if eligibility standards were coordinated.**

Women and minorities are less likely to be covered by private pensions because they are concentrated in sectors of the labor market not broadly covered by pension plans, and often do not meet the long-term job continuity requirements of most pensions. Because the private pension system generally rewards a certain kind of work behavior—that is, a lifetime of steady work with relatively little job mobility and high earnings—it is another factor in the relative poverty of the female senior population. In addition, private pension plans have used "sex-based actuarial tables" that require women (because they live longer as a group) to contribute more to their pension plan in order to receive the same benefits as similarly situated men, or otherwise receive lower pension benefits. However, in April 1978 the Supreme Court ruled that **women workers may not be forced to make higher pension contributions than men.**

Policy Implications: Health

The U.S. health care system is crisis-oriented and heavily biased toward institutions. Only a small portion of federal health expenditures is directed at home health care. However, the primary needs of the elderly, especially those over 75 who are the fastest growing segment of the population, are generally for sustained, nontechnical, and usually nonmedical services rather than the highly technical help required by the acutely ill. Neither Medicare nor Medicaid are oriented toward providing adequate at-home care for the chronically ill, forcing many elderly persons to enter nursing homes in order to get financial help with their long-term care needs. Estimates of the number of elderly inappropriately institutionalized range from 16 percent to 35 percent, and nursing home costs consumed nearly 41 percent of each Medicaid dollar in FY 1978 although only 6 percent of Medicaid recipients were in nursing homes. Just 1 percent of total Medicaid expenditures in that year went to home-based, long-term care services.

Except for those older persons who are greatly impaired, it costs less to provide care at home, through the family or public agencies, than it costs in institutions. The drawbacks of unnecessary institutionalization are not only financial, however. Most older persons would prefer to remain at home and receive support services there. Many deteriorate quickly both physically and mentally in a nursing home.

Families who look after older relatives often are frustrated by the lack of home health care support services. Yet most overcome the obstacles. Contrary to the myth of the abandoned old person, families and friends give 80 percent of home care, usually without the

help of community services.

Older persons who are only slightly or even moderately handicapped usually stay in their own homes, often alone, and receive help with transportation, meals, shopping and cleaning from nearby adult children. **For adult children who take an elderly impaired relative into their home, there are not only the financial burdens but also the opportunity costs of lost employment, social activities, and privacy.** Over 40 percent of adult children in one survey reported that the time spent on caregiving tasks was at least equivalent to a full-time job.

- *The elderly's demand for health care and related social services is intensive, but differs dramatically from that of younger age groups.* **Health problems are often chronic (not acute), not susceptible to dramatic intervention, high medical technology, or "cure," and require sustained, daily assistance.** *Expanding preventative and nonspecialized care to all elderly might include provisions for* **self-help, outreach services, better detection of needs** *and emphasis on the* **training of nurse-practitioners, paramedics, and generalists** *to care for the elderly.*

- *Formidable barriers make it hard for many older Americans to receive long-term health care under Medicare or Medicaid, both of which are organized around the "medical model" of illness, and have an "institutional bias" in their policies, as well as having strict eligibility requirements.* **There is a need for a variety of options in living arrangements for elderly persons, with special emphasis on enabling them to remain at home,** *and for alternatives to institutionalization, such as hospice services.*

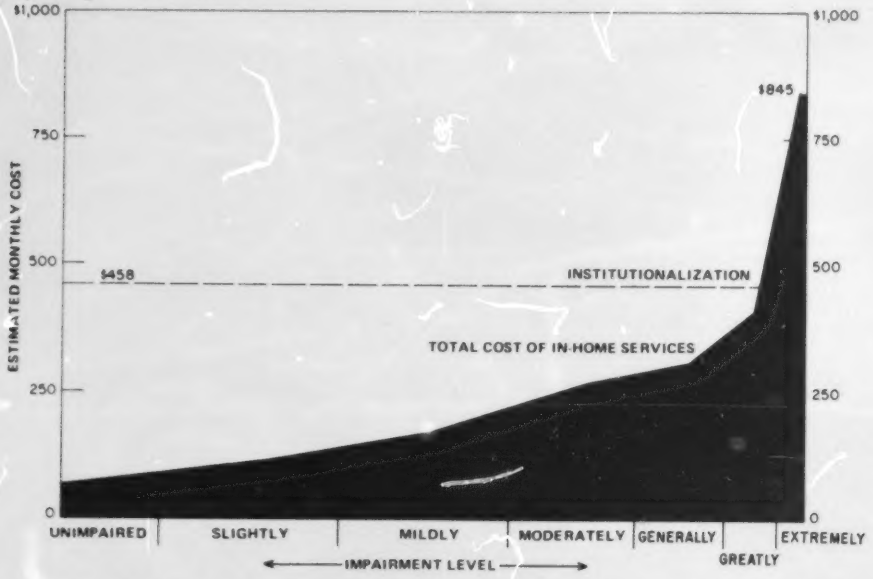
- *Policymakers are becoming more and more interested in supporting* **the family's involvement in long-term care** *of older relatives through* **tax incentives,** *or even direct* **cash compensation.** *They are also coming to realize that the outdated model of a family with only one breadwinner and a homemaker caring for senior parents and children exists in only 7 percent of American households. In the mid—1990s there will be about 34 million women in the workforce, which will soon be half-male, half-female. It will therefore be necessary to vary the "family approach" to care. The elderly who do not live with relatives, for example, would benefit from* **homemaker services.** *The options for meeting the long-term care needs of seniors who have moved in with other family members must include the development of* **geriatric day care centers** *and* **"respite care" services** *that enable the caregiving kin to engage in other activities while still maintaining primary responsibility for the older relative.*

- *The family is not the only support system caring for older people in the community, however. Churches and private organizations also provide a variety of services to the elderly. Given the increased emphasis placed on limiting federal spending,* **new program initiatives in the 1980s are likely to be directed toward strengthening the informal support network and forging a partnership between the public and private sectors, including the elderly themselves, their families, friends, community groups, private organizations, and government, at the state and local as well as the federal level.**

1981 and Beyond

Although the 1970s saw the enactment of bills that sought to improve the economic condition of the elderly (Supplemental Security Income Program), assure their financial security (Employee Retirement Income Security Act), or protect them against job discrimination (1978 Amendments to the Age Discrimination in Employment Act), "breakthrough" programs were notably absent

Figure 5. Estimated Monthly Costs of Home Services and Institutionalization of People 65 and Over at Varying Levels of Impairment: 1977



Source: Comptroller General of the United States, *Report to the Congress: The Need for a National Policy to Better Provide for the Elderly* (Washington, D.C.: U.S. Government Printing Office, 1977)

from the catalog of legislative developments. Even the Comprehensive Older Americans Act Amendments of 1978, which aim to consolidate various services, are limited in scope and do not really answer the need for a comprehensive "aging network" for all of America's elderly.

Health care and social services, provided by a complex, often confusing array of sources, still lack an overall plan to meet people's needs. In an effort to solve the problems of coordination and information, several demonstration "channeling" projects are now under way across the country whose key feature is the idea of a single place for an elderly person to go to enter the health and support services system. There is a need to further simplify, integrate and coordinate existing programs.

A major thrust of current efforts to improve the lives of the elderly in America is the 1981 White House Conference on Aging which will provide the forum for 1,800 delegates to voice their concerns and provide guidance to policymakers. The conference focuses on the six broad issues of: economic security; physical and mental health; social well-being; older Americans as a growing national resource; creating an age-integrated society within social institutions; and research. The main objectives of the conference are the expansion of national policy to dispel the stereotype of all elderly as poor, unemployed, or abandoned by their families, and the encouragement of programs that will enable seniors to achieve fulfilled and independent lives for as long as possible. □

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